



**Lowenstein
Sandler**

Joseph J. DiPasquale
Partner

One Lowenstein Drive
Roseland, New Jersey 07068

T: 973.597.2528
F: 973.597.2529
E: jdipasquale@lowenstein.com

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VIA ELECTRONIC MAIL AND ECF

Hon. John K. Sherwood
U.S. Bankruptcy Court
Martin Luther King, Jr. Federal Bldg.
50 Walnut Street, 3rd Fl.
Newark, NJ 07102

**Re: *In re: New England Motor Freight, Inc., et al.*, Case No. 19-12809
Reservation of Rights to Debtors' Stalking-Horse Purchase Agreement**

Dear Judge Sherwood:

This firm, together with Elliott Greenleaf, P.C., is co-counsel to the Official Committee of Unsecured Creditors (the "Committee") in the above-referenced bankruptcy cases.

On March 25, 2019, the above-captioned debtors and debtors in possession (the "Debtors") filed *Debtors' Motion for Orders (I)(A) Approving Bidding Procedures and Auction and (B) Scheduling Sale Hearing and Approving Notice Thereof; (II) Authorizing the Sale of Substantially All of the Debtors' Eastern Freight Ways, Inc. and Carrier Industries Inc.'s Assets Free and Clear of All Liens, Claims, Encumbrances, and Other Interests; (III) Authorizing the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases; and (IV) Granting Related Relief* (the "Eastern Sale Motion") (Docket No. 335). The Eastern Sale Motion was approved on April 8, 2019 (the "Eastern Sale Order") (Docket No. 427). The Eastern Sale Order set a deadline of May 6, 2019 to object to the proposed sale, while bids are due by May 9, 2019 at 4:00 p.m. (ET) and the auction is to occur on May 14, 2019 at 10:00 a.m. (ET). *Id.* at ¶ 10.

On April 18, 2019, the Debtors filed their *Notice Of (I) Stalking Horse Designation; (II) Filing Of Stalking Horse APA With Bid Protections; And (III) Filing Of Amended Bidding Procedures* (the "Stalking Horse Notice") (Docket No. 477). The Stalking Horse Notice contained a copy of a stalking horse asset purchase agreement between certain of the Debtors and a stalking horse purchaser (the "Stalking Horse APA"). On April 24, 2019, the Committee filed a reservation of rights with respect to (i) the potential allocations of any sale proceeds to the lenders and between the Debtors' estates, prior to a resolution of the allocation issues and the Committee's review of each affected lender's alleged security interests in the collateral at issue; and (ii) the proposed form of sale order (Docket No. 493).

As the deadline to object to the proposed sale is prior to both the bid deadline as well as the auction itself, and because no final form of order has yet been submitted to

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approve the sale, the Committee files this reservation of rights to preserve its rights to object to, among other things (a) the determination of the highest and best bid; (b) the allocation of proceeds among the various lenders and creditor constituencies; and (c) the allocation of tax liabilities.

Your Honor's consideration is greatly appreciated.

Respectfully submitted,

/s/ Joseph J. DiPasquale

Joseph J. DiPasquale, Esq.

Mary E. Seymour, Esq.

John P. Schneider, Esq.

LOWENSTEIN SANDLER LLP

One Lowenstein Drive

Roseland, NJ 07068

Telephone: (973) 597-2500

Facsimile: (973) 597-2400

-and -

Rafael X. Zahralddin-Aravena, Esq.

Jonathan M. Stemerman, Esq.

Sarah Denis, Esq.

ELLIOTT GREENLEAF, P.C.

1105 Market Street, Suite 1700

Wilmington, DE 19801

Telephone: (302) 384-9400

Facsimile: (302) 384-9399

Co-Counsel to the Official Committee
of Unsecured Creditors